

Public Employees' Retirement Board

A Component Unit of the State of Montana

Report on Investment Activity

INTRODUCTION

The Montana Constitution and Montana statutes govern the investment activity of the retirement funds administered by the Public Employees' Retirement Board (PERB). The "prudent expert principle," contained in the Montana Constitution and Montana statute, requires the fiduciaries of the funds, including the Montana Board of Investments (BOI), to discharge their duties in the same manner that a prudent expert acting in a fiduciary capacity and under the same circumstances, exercises in the conduct of an enterprise of a similar character with similar objectives.

The prudent expert principle permits further diversification of the holdings of the fund to minimize the risk of loss and maximize the rate of return. The opportunity to diversify among various asset classes does enable a fund to reduce volatility and increase returns.

The BOI prepares and provides information related to the defined benefit investments for the PERB. The Montana Public Employee Retirement Administration (MPERA), staff of the PERB, is responsible for the presentation of the report of investment activity.

INVESTMENT GOALS AND OBJECTIVES

The basic goal influencing the investment activity for the PERB is two-fold. First is to realize compound rates of return sufficient to fund promised benefits; and the second is to provide benefit services at the lowest possible cost to employers and members.

The basic investment objective of the BOI is achievement of a total rate of return which exceeds the rate of inflation as measured by the Consumer Price Index by 3% over any five-year rolling period, while out-performing the market indices for each asset class over the current five-year rolling period.

To calculate the PERB's defined benefit investment returns, State Street Bank and Trust, BOI's custodial bank and an independent third party, uses the industry performance presentation standards times weighted total rate of return method.

RISK TOLERANCE

In view of the long time horizon of the pension plans and adequacy of cash flow to meet retiree payments, all funds have an above average ability to assume risk. For Montana loans, maximum loan size is \$5 million.

INVESTMENT MANAGEMENT AND RESULTS

The funds of each defined benefit plan are invested by the BOI as part of the unified investment program. The portfolio is broadly diversified between the various asset classes (stocks, bonds, real estate, venture capital, etc.). A complete list of portfolio information is available through the BOI. State Street Bank and Trust compiles the rates of return for the investments using the Association for Investment Management and Research (AIMR) Performance Presentation Standards. The total rates of return for fiscal year 2004 are reported for each defined benefit fund by the BOI. The following tables are a summary of the information received from the BOI.

INVESTMENT SECTION

TOTAL RATES OF RETURN BY ASSET CLASS					
12-Month Period ending June 30, 2004					
Asset Class	<u>INDEX</u>	<u>PERS- DBRP</u>	<u>JRS</u>	<u>HPORS</u>	<u>SRS</u>
STIP		1.11%	1.11%	1.11%	1.11%
91 day T-Bill	0.96%				
Equities ¹		20.14%	20.12%	20.13%	20.14%
S&P 500	19.10%				
Fixed Income		1.56%	1.05%	1.05%	1.05%
LB Aggregate Bond	0.32%				
Miscellaneous ²		5.41%			
All Assets		13.43%	13.21%	13.25%	13.24%
Index Composite³		13.39%	13.14%	13.18%	13.18%
	<u>INDEX</u>	<u>GWPORS</u>	<u>MPORS</u>	<u>FURS</u>	<u>VFCA</u>
STIP		1.11%	1.11%	1.11%	1.11%
91 day T-Bill	0.96%				
Equities ¹		20.23%	20.11%	20.13%	20.02%
S&P 500	19.10%				
Fixed Income		1.05%	1.05%	1.05%	1.05%
LB Aggregate Bond	0.32%				
All Assets		13.22%	12.85%	12.93%	13.12%
Index Composite³		13.18%	12.81%	12.88%	13.05%
¹ Includes MDEP, MTIP and REI ² Montana Mortgages ³ An Index Composite paralleling the Fund's Asset Allocation at Market Value The rates of return are based on the industry performance presentation standards times weighted total rate of return method (AIMR Performance Presentation Standards)					

TOTAL RATES OF RETURN BY ASSET CLASS					
Three-Year Period ending June 30, 2004					
Asset Class	<u>INDEX</u>	<u>PERS- DBRP</u>	<u>JRS</u>	<u>HPORS</u>	<u>SRS</u>
STIP		1.87%	1.87%	1.87%	1.87%
91 day T-Bill	1.61%				
Equities ¹		-0.07%	-0.17%	-0.20%	-0.20%
S&P 500	-0.69%				
Fixed Income		8.13%	8.49%	8.49%	8.49%
LB Aggregate Bond	6.36%				
Miscellaneous ²		6.40%			
All Assets		3.91%	3.94%	3.87%	3.96%
Index Composite³		3.99%	3.84%	3.75%	3.80%
	<u>INDEX</u>	<u>MPORS</u>	<u>GWPORS</u>	<u>FURS</u>	<u>VFCA</u>
STIP		1.87%	1.87%	1.87%	1.87%
91 day T-Bill	1.61%				
Equities ¹		-0.25%	-0.27%	-0.27%	-0.27%
S&P 500	-0.69%				
Fixed Income		8.49%	8.49%	8.49%	8.49%
LB Aggregate Bond	6.36%				
All Assets		3.86%	3.94%	3.84%	5.75%
Index Composite³		3.70%	3.80%	3.66%	5.54%
¹ Includes MDEP, MTIP and REI ² Montana Mortgages ³ An Index Composite paralleling the Fund's Asset Allocation at Market Value The rates of return are based on the industry performance presentation standards times weighted total rate of return method (AIMR Performance Presentation Standards)					

INVESTMENT SECTION

TOTAL RATES OF RETURN BY ASSET CLASS					
Five-Year Period ending June 30, 2004					
Asset Class	<u>INDEX</u>	<u>PERS-DBRP</u>	<u>JRS</u>	<u>HPORS</u>	<u>SRS</u>
STIP		3.58%	3.57%	3.57%	3.57%
91 day T-Bill	3.14%				
Equities ¹		-1.17%	-1.45%	-1.54%	-1.57%
S&P 500	-2.20%				
Fixed Income		8.03%	8.19%	8.19%	8.19%
LB Aggregate Bond	6.95%				
Miscellaneous ²		7.31%			
All Assets		2.84%	2.70%	2.66%	2.68%
Index Composite³		2.77%	2.65%	2.59%	2.57%
	<u>INDEX</u>	<u>MPORS</u>	<u>GWPORS</u>	<u>FURS</u>	<u>VFCA</u>
STIP		3.57%	3.57%	3.58%	4.44%
91 day T-Bill	3.14%				
Equities ¹		-1.59%	-1.61%	-1.64%	-1.03%
S&P 500	-2.20%				
Fixed Income		8.20%	8.20%	8.20%	8.19%
LB Aggregate Bond	6.95%				
All Assets		2.67%	2.72%	2.62%	4.44%
Index Composite³		2.56%	2.62%	2.49%	4.29%
¹ Includes MDEP, MTIP and REI ² Montana Mortgages ³ An Index Composite paralleling the Fund's Asset Allocation at Market Value					
The rates of return are based on the industry performance presentation standards times weighted total rate of return method (AIMR Performance Presentation Standards)					

INVESTMENT SECTION

ASSET ALLOCATION

Correct asset allocation is the main determinant of the BOI's success in meeting long-term investment objectives. The asset mix

with the highest probability of achieving the basic investment objective and the actual asset mix for fiscal year 2004 is listed in the following table for both fixed income investments and equity investments.

FY2004 ASSET ALLOCATION

		Investment Objective	Actual Investment			Investment Objective	Actual Investment
PERS-DBRP				GWPORS			
Fixed	30% to 40%	32.31%		Fixed	30% to 40%	33.98%	
Equity	60% to 70%	67.69%		Equity	60% to 70%	66.02%	
JRS				MPORS			
Fixed	30% to 40%	32.94%		Fixed	30% to 40%	31.97%	
Equity	60% to 70%	67.06%		Equity	60% to 70%	68.03%	
HPORS				FURS			
Fixed	30% to 40%	32.49%		Fixed	30% to 40%	32.06%	
Equity	60% to 70%	67.51%		Equity	60% to 70%	67.94%	
SRS				VFCA			
Fixed	30% to 40%	32.69%		Fixed	30% to 40%	31.15%	
Equity	60% to 70%	67.31%		Equity	60% to 70%	68.85%	

INVESTMENT SECTION

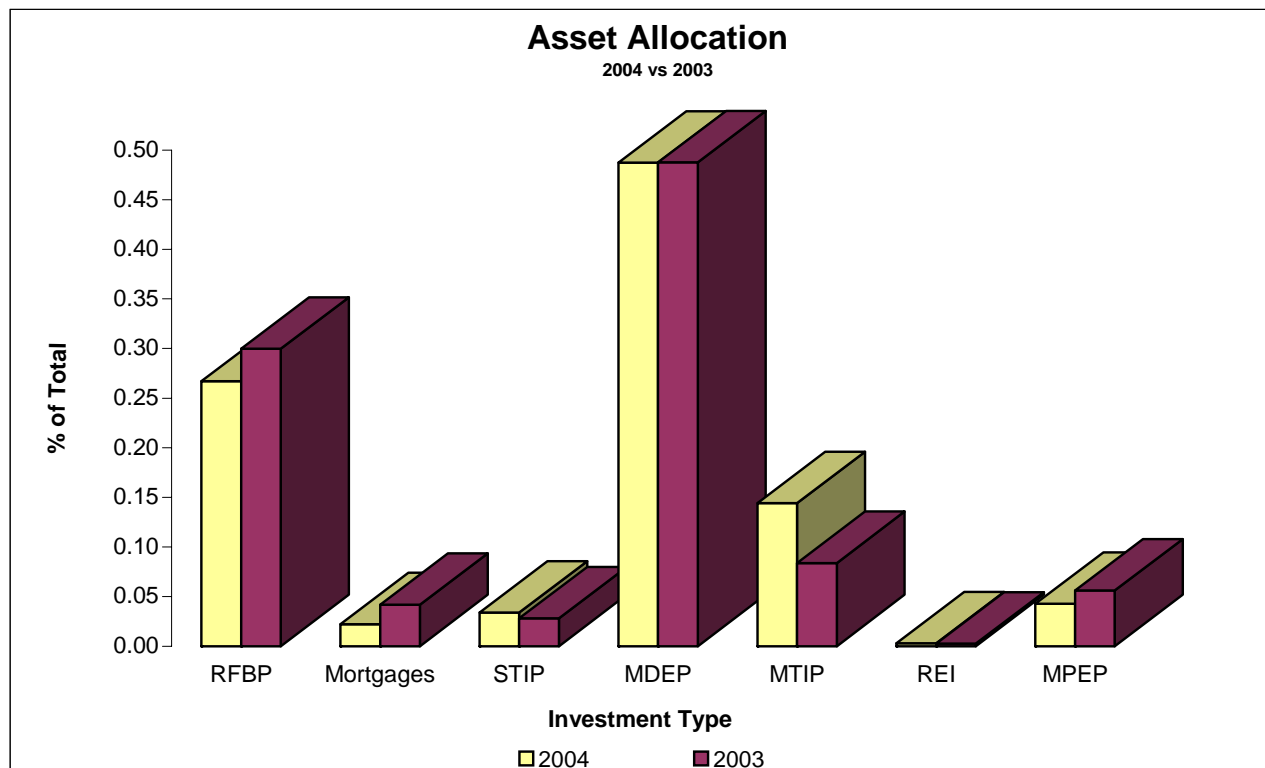
PERS-DBRP

Asset Mix (fair value)

as of June 30, 2004 and 2003

(in thousands)

Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 805,840	26.71%	\$ 804,470	29.97%	\$ 1,370	0.17%
Montana Mortgages	66,755	2.21%	112,079	4.18%	(45,324)	-40.44%
STIP	102,343	3.39%	75,120	2.80%	27,223	36.24%
Total Fixed Income	\$ 974,938	32.31%	\$ 991,669	36.95%	\$ (16,731)	-1.69%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 1,469,963	48.72%	\$ 1,308,884	48.76%	\$161,079	12.31%
Montana International Pool (MTIP)	434,917	14.42%	225,347	8.40%	209,570	93.00%
Real Estate Investments (REI)	8,409	0.28%	7,246	0.27%	1,163	16.05%
Montana Private Equity Pool (MPEP)	128,797	4.27%	150,960	5.62%	(22,163)	-14.68%
Total Equities	\$ 2,042,086	67.69%	\$ 1,692,437	63.05%	\$349,649	20.66%
Total	\$ 3,017,024	100.00%	\$ 2,684,106	100.00%	\$332,918	12.40%

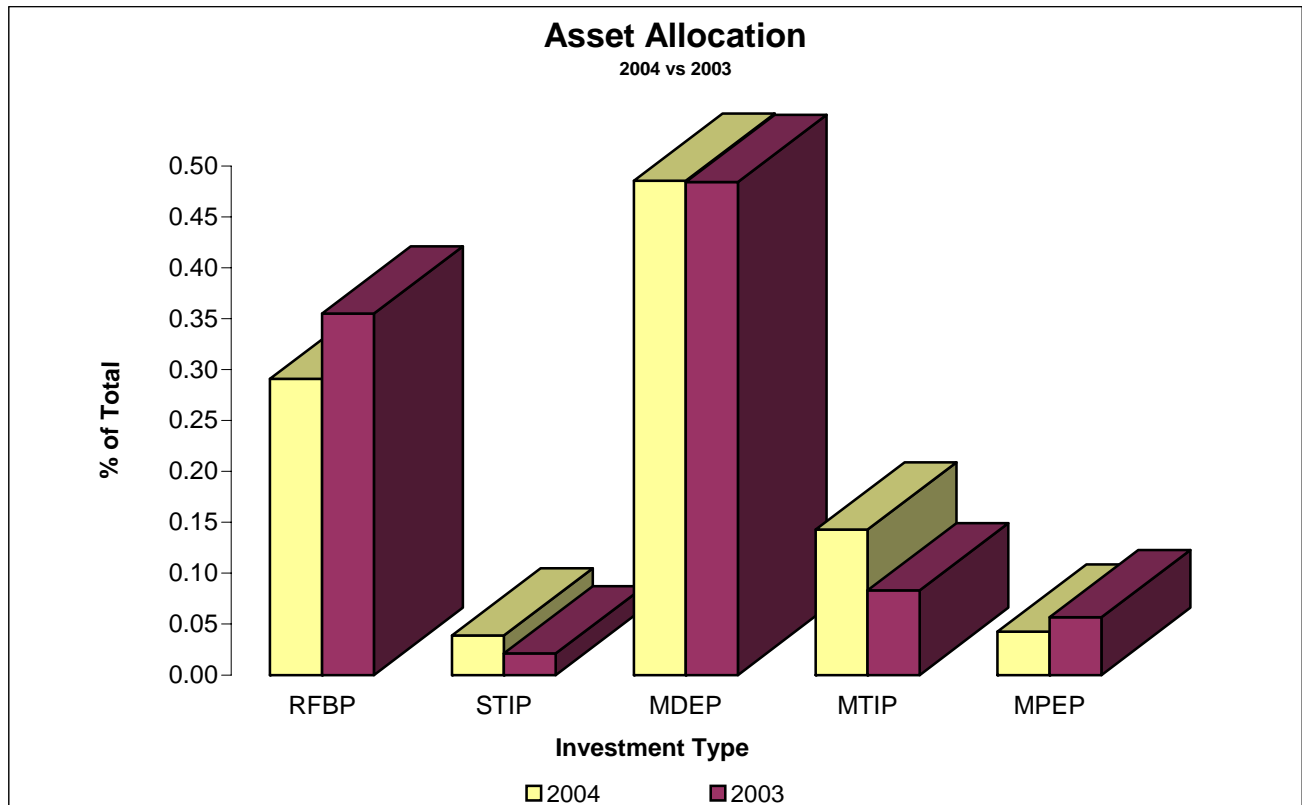


INVESTMENT SECTION

JRS

Asset Mix (fair value) as of June 30, 2004 and 2003 (in thousands)

Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 13,024	29.07%	\$ 14,046	35.49%	\$(1,022)	-7.28%
STIP	1,733	3.87%	837	2.11%	896	107.05%
<i>Total Fixed Income</i>	<u>\$ 14,757</u>	<u>32.94%</u>	<u>\$ 14,883</u>	<u>37.60%</u>	<u>\$ (126)</u>	<u>-0.85%</u>
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 21,739	48.54%	\$ 19,162	48.41%	\$ 2,577	13.45%
Montana International Pool (MTIP)	6,393	14.27%	3,294	8.32%	3,099	94.08%
Montana Private Equity Pool (MPEP)	1,906	4.25%	2,243	5.67%	(337)	-15.02%
<i>Total Equities</i>	<u>\$ 30,038</u>	<u>67.06%</u>	<u>\$ 24,699</u>	<u>62.40%</u>	<u>\$ 5,339</u>	<u>21.62%</u>
Total	\$ 44,795	100.00%	\$ 39,582	100.00%	\$ 5,213	13.17%

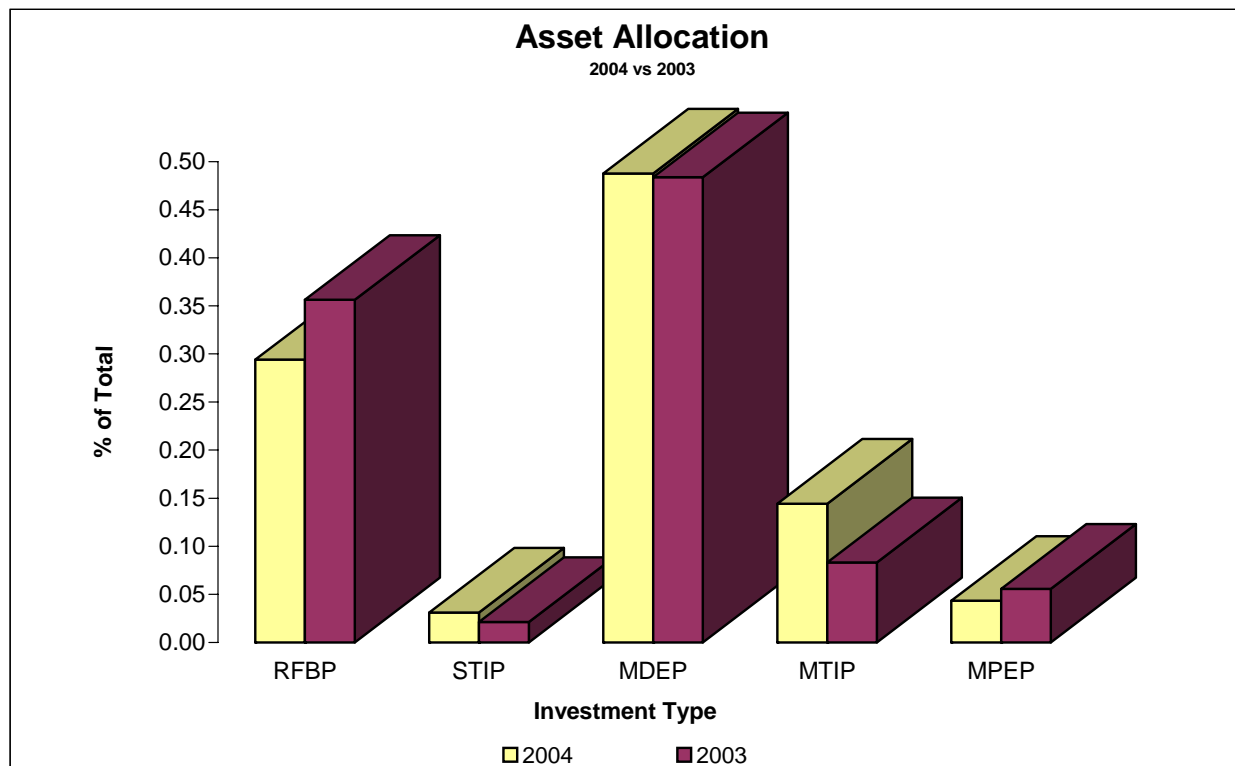


INVESTMENT SECTION

HPORS

Asset Mix (fair value)
as of June 30, 2004 and 2003
(in thousands)

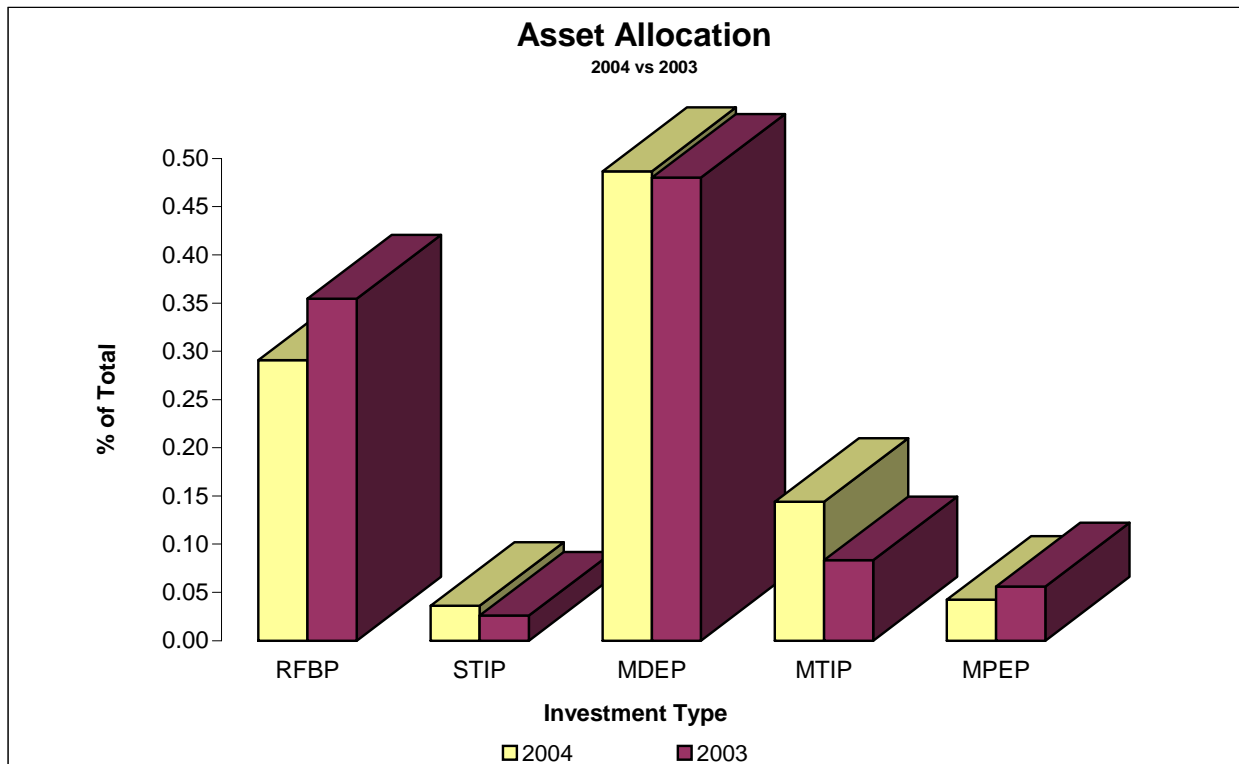
Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 23,018	29.39%	\$ 25,178	35.63%	\$(2,160)	-8.58%
STIP	2,430	3.10%	1,501	2.12%	929	61.89%
Total Fixed Income	\$ 25,448	32.49%	\$ 26,679	37.74%	\$(1,231)	-4.61%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 38,192	48.77%	\$ 34,191	48.37%	\$ 4,001	11.70%
Montana International Pool (MTIP)	11,296	14.42%	5,883	8.32%	5,413	92.01%
Montana Private Equity Pool (MPEP)	3,375	4.32%	3,933	5.57%	(558)	-14.19%
Total Equities	\$ 52,863	67.51%	\$ 44,007	62.26%	\$ 8,856	20.12%
Total	\$ 78,311	100.00%	\$ 70,686	100.00%	\$ 7,625	10.79%



SRS

Asset Mix (fair value) as of June 30, 2004 and 2003 (in thousands)

Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 40,680	29.08%	\$ 43,639	35.47%	\$ (2,959)	-6.78%
STIP	5,055	3.61%	3,186	2.59%	1,869	58.66%
Total Fixed Income	\$ 45,735	32.69%	\$ 46,825	38.06%	\$ (1,090)	-2.33%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 68,112	48.68%	\$ 59,059	48.00%	\$ 9,053	15.33%
Montana International Pool (MTIP)	20,127	14.39%	10,250	8.33%	9,877	96.36%
Montana Private Equity Pool (MPEP)	5,936	4.24%	6,906	5.61%	(970)	-14.05%
Total Equities	\$ 94,175	67.31%	\$ 76,215	61.94%	\$17,960	23.56%
Total	\$ 139,910	100.00%	\$ 123,040	100.00%	\$16,870	13.71%

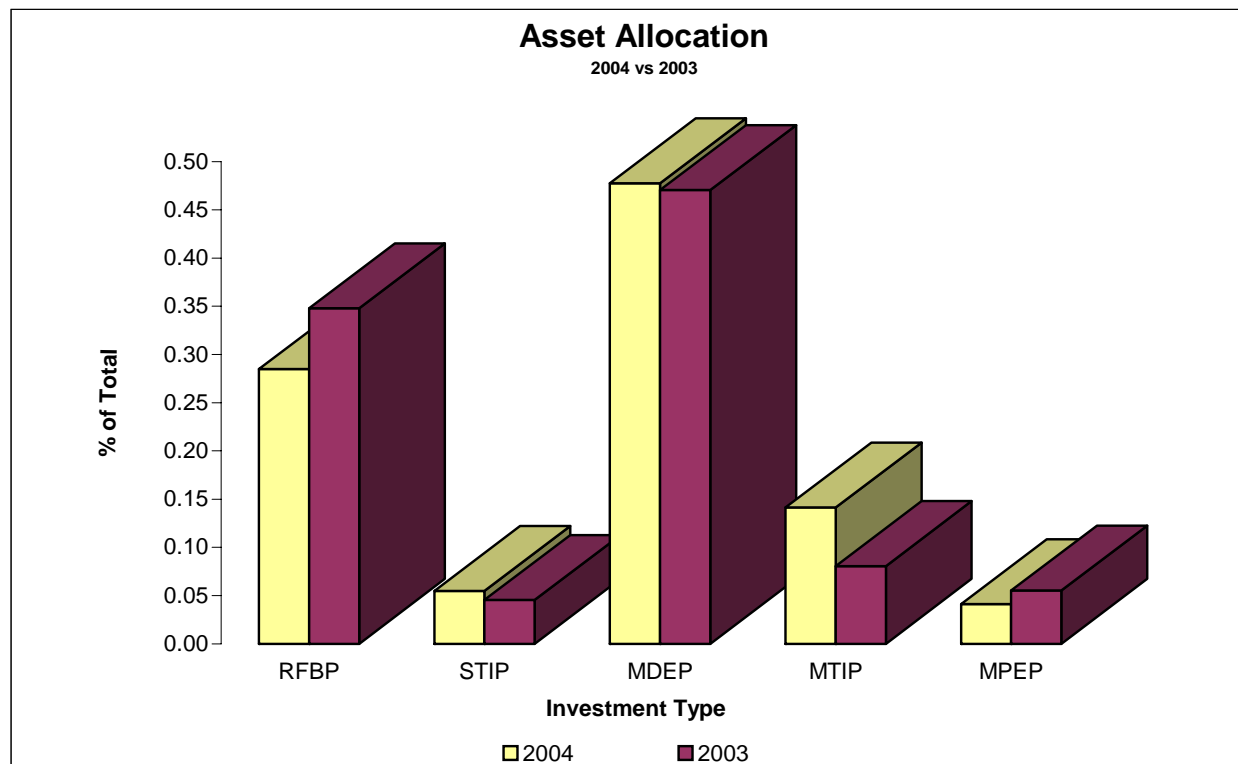


INVESTMENT SECTION

GWPORS

Asset Mix (fair value)
as of June 30, 2004 and 2003
(in thousands)

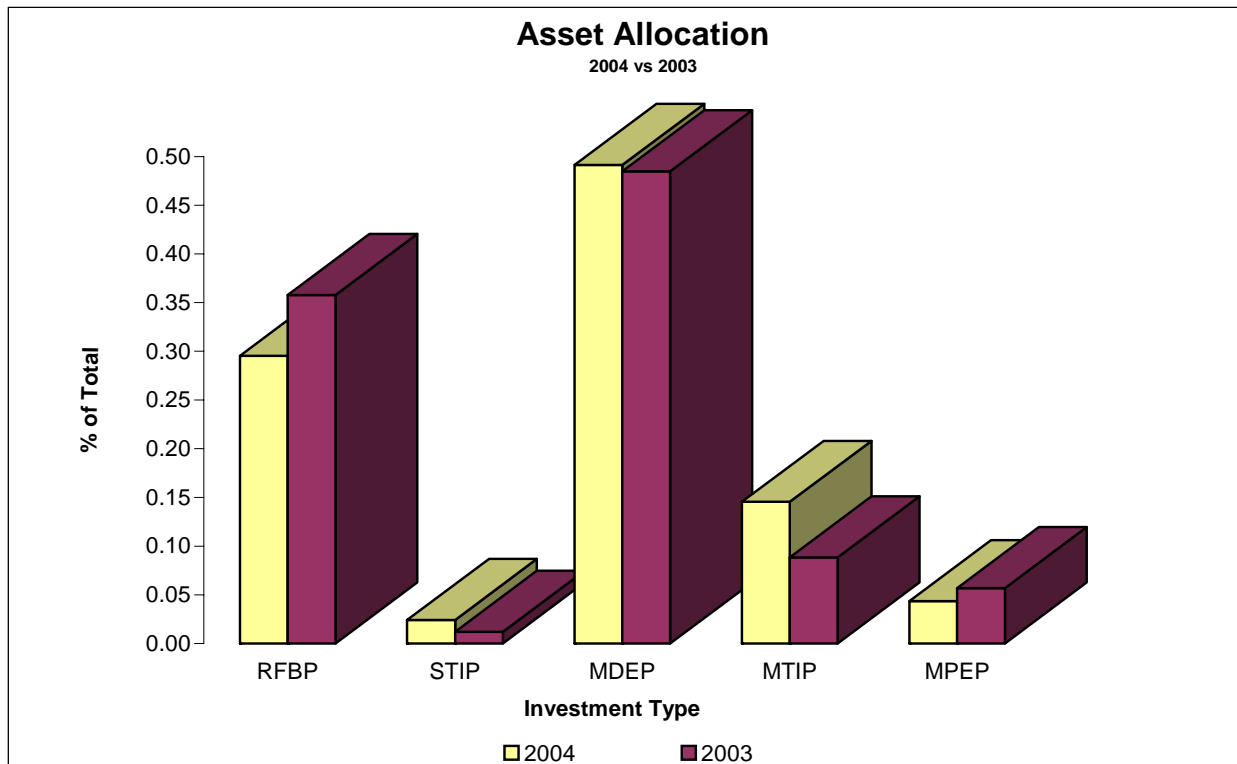
Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 12,837	28.49%	\$ 12,921	34.79%	\$ (84)	-0.65%
STIP	2,472	5.49%	1,691	4.55%	781	46.19%
Total Fixed Income	\$ 15,309	33.98%	\$ 14,612	39.34%	\$ 697	4.77%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 21,521	47.76%	\$ 17,476	47.05%	\$ 4,045	23.15%
Montana International Pool (MTIP)	6,372	14.14%	2,996	8.07%	3,376	112.68%
Montana Private Equity Pool (MPEP)	1,856	4.12%	2,058	5.54%	(202)	-9.82%
Total Equities	\$ 29,749	66.02%	\$ 22,530	60.66%	\$ 7,219	32.04%
Total	\$ 45,058	100.00%	\$ 37,142	100.00%	\$ 7,916	21.31%



MPORS

Asset Mix (fair value) as of June 30, 2004 and 2003 (in thousands)

Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 41,584	29.55%	\$ 43,873	35.80%	\$ (2,289)	-5.22%
STIP	3,403	2.42%	1,446	1.19%	1,957	135.34%
Total Fixed Income	\$ 44,987	31.97%	\$ 45,319	36.98%	\$ (332)	-0.73%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 69,175	49.15%	\$ 59,430	48.49%	\$ 9,745	16.40%
Montana International Pool (MTIP)	20,458	14.54%	10,833	8.84%	9,625	88.85%
Montana Private Equity Pool (MPEP)	6,105	4.34%	6,975	5.69%	(870)	-12.47%
Total Equities	\$ 95,738	68.03%	\$ 77,238	63.02%	\$ 18,500	23.95%
Total	\$ 140,725	100.00%	\$ 122,557	100.00%	\$ 18,168	14.82%

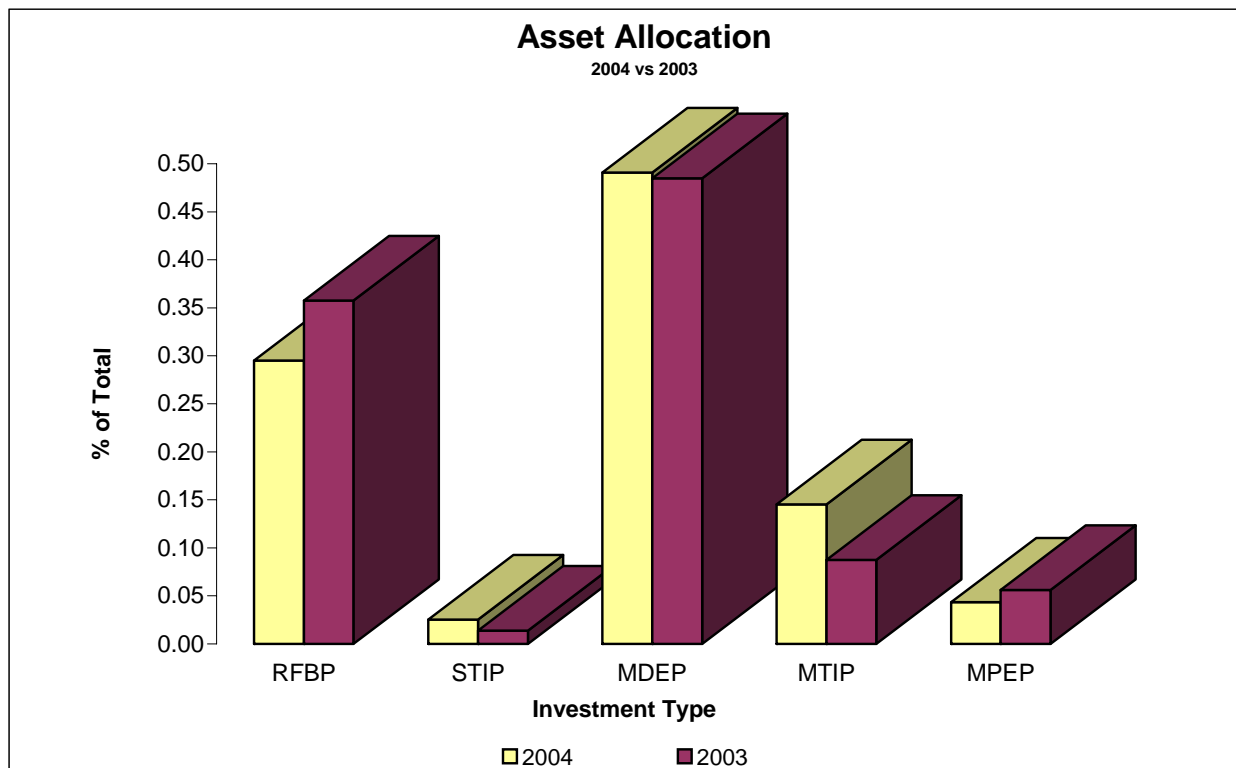


INVESTMENT SECTION

FURS

Asset Mix (fair value)
as of June 30, 2004 and 2003
(in thousands)

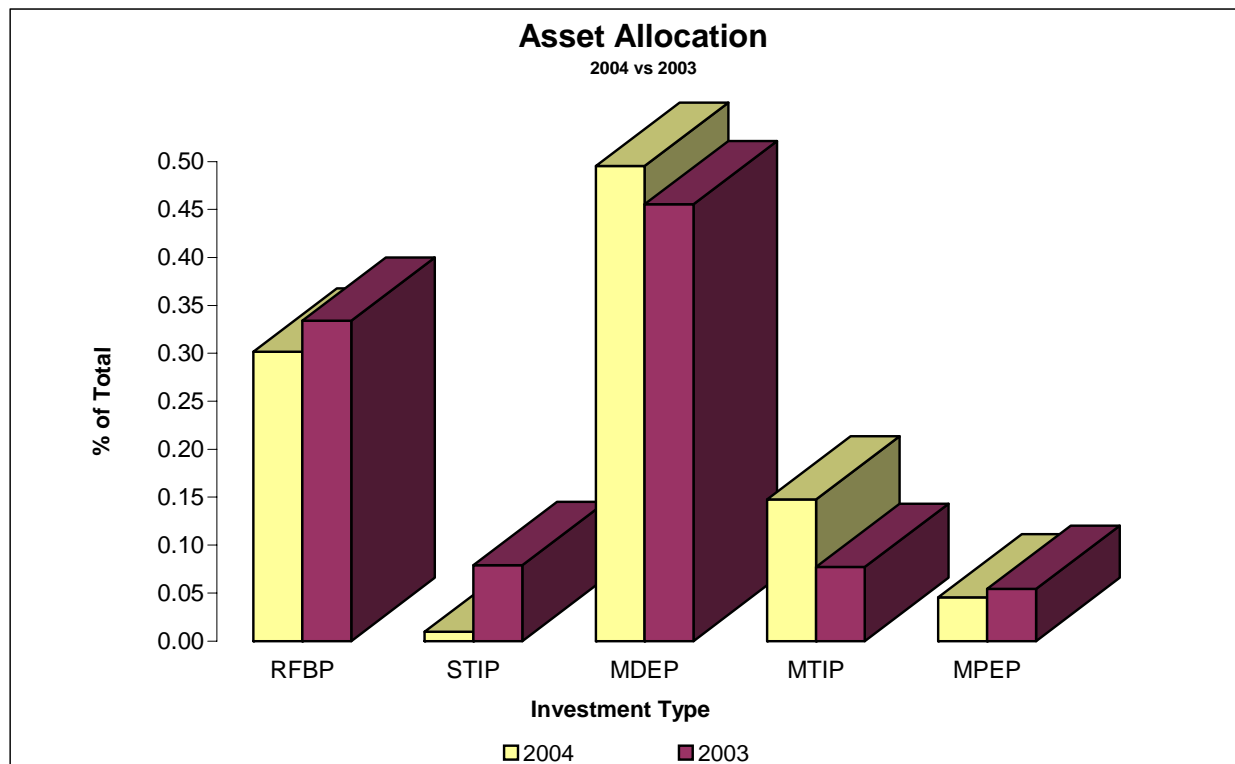
Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 39,592	29.51%	\$ 41,757	35.75%	\$ (2,165)	-5.18%
STIP	3,414	2.55%	1,641	1.40%	1,773	108.04%
<i>Total Fixed Income</i>	<i>\$ 43,006</i>	<i>32.06%</i>	<i>\$ 43,398</i>	<i>37.15%</i>	<i>\$ (392)</i>	<i>-0.90%</i>
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 65,851	49.09%	\$ 56,638	48.48%	\$ 9,213	16.27%
Montana International Pool (MTIP)	19,469	14.52%	10,235	8.77%	9,234	90.22%
Montana Private Equity Pool (MPEP)	5,813	4.33%	6,546	5.60%	(733)	-11.20%
<i>Total Equities</i>	<i>\$ 91,133</i>	<i>67.94%</i>	<i>\$ 73,419</i>	<i>62.85%</i>	<i>\$17,714</i>	<i>24.13%</i>
Total	\$ 134,139	100.00%	\$ 116,817	100.00%	\$17,322	14.83%



VFCA

Asset Mix (fair value) as of June 30, 2004 and 2003 (in thousands)

Investment Type	2004 Fair Value	% of Total	2003 Fair Value	% of Total	Dollar Change	% Change
Fixed Income:						
Retirement Funds Bond Pool (RFBP)	\$ 5,617	30.18%	\$ 5,964	33.39%	\$ (347)	-5.82%
STIP	180	0.97%	1,414	7.92%	(1,234)	-87.27%
Total Fixed Income	\$ 5,797	31.15%	\$ 7,378	41.31%	\$(1,581)	-21.43%
Equities:						
Montana Domestic Equity Pool (MDEP)	\$ 9,221	49.54%	\$ 8,134	45.54%	\$ 1,087	13.36%
Montana International Pool (MTIP)	2,746	14.75%	1,379	7.72%	1,367	99.13%
Montana Private Equity Pool (MPEP)	848	4.56%	969	5.43%	(121)	-12.49%
Total Equities	\$ 12,815	68.85%	\$ 10,482	58.69%	\$ 2,333	22.26%
Total	\$ 18,612	100.00%	\$ 17,860	100.00%	\$ 752	4.21%



INVESTMENT SECTION

Public Employees' Retirement Board

A Component Unit of the State of Montana

Largest Holdings (by portfolio fair value) as of June 30, 2004

A complete list of the portfolio holdings can be obtained by contacting the Montana Board of Investments. The information below is MPERA's presentation of the largest holdings.

Shares/Par	Mortgages Portfolio	Fair Value
221,861,642	Montana Permanent Coal Trust Loans	\$ 221,861,642
119,513,572	Montana Residential Mortgages	119,513,572

PERS' 66,754,461 shares represent 19.3% of the total Mortgages portfolio at market.

Shares/Par	MPEP Portfolio	Fair Value
50,311,901	KKR 1996	\$ 88,540,666
48,680,492	Brinson Partnership Fund Trust	43,212,407
1	Oaktree Capital Opportunities Fund IVB LP	32,498,809
164,951	State Street SPIFF	24,229,851
12,855,368	Lexington Capital Partnership V LP	17,820,972
16,893,417	KKR European Fund	15,776,593
10,107,970	Welsh Carson Anderson Stowe IX	12,717,565
14,108,333	Brinson Venture Capital Fund IV	9,500,241
7,552,000	Adams Street Partnership Fund	7,577,518
8,000,000	Adams Street Fund V	7,421,640

PERS' 1,297,661 shares represent 49.83% of the total MPEP portfolio at market.

JRS' 19,204 shares represent .74% of the total MPEP portfolio at market.

HPORS' 34,001 shares represent 1.31% of the total MPEP portfolio at market.

SRS' 59,802 shares represent 2.30% of the total MPEP portfolio at market.

GWPORS' 18,699 shares represent .72% of the total MPEP portfolio at market.

MPORS' 61,502 shares represent 2.36% of the total MPEP portfolio at market.

FURS' 58,567 shares represent 2.25% of the total MPEP portfolio at market.

VFCA's 8,547 shares represent .33% of the total MPEP portfolio at market.

Public Employees' Retirement Board

A Component Unit of the State of Montana

Largest Holdings (by portfolio fair value) as of June 30, 2004

Shares/Par	MDEP Portfolio	Fair Value
2,576,200	General Electric Co	\$ 83,468,880
2,721,000	Microsoft Corp	77,711,760
2,078,260	Pfizer Inc	71,242,753
1,461,866	Citigroup Inc	67,976,769
1,439,912	Exxon Mobil Corp	63,946,492
804,000	Johnson & Johnson	44,782,800
599,750	American International Group Inc	42,750,180
1,544,000	Intel Corp	42,614,400
750,000	Wal Mart Stores Inc	39,570,000
1,605,000	Cisco Systems Inc	38,038,500

PERS' 11,955,431 shares represent 50.65% of the total MDEP portfolio at market.

JRS' 176,805 shares represent .75% of the total MDEP portfolio at market.

HPORS' 310,623 shares represent 1.32% of the total MDEP portfolio at market.

SRS' 553,968 shares represent 2.35% of the total MDEP portfolio at market.

GWPORS' 175,030 shares represent .74% of the total MDEP portfolio at market.

MPORS' 562,614 shares represent 2.38% of the total MDEP portfolio at market.

FURS' 535,576 shares represent 2.27% of the total MDEP portfolio at market.

VFCA's 74,994 shares represent .32% of the total MDEP portfolio at market.

Shares/Par	RFBP Portfolio	Fair Value
150,000,000	Student Loan Marketing Assn	\$ 68,702,550
35,000,000	Federal Home Loan Mortgage Corp	33,592,370
30,000,000	Federal National Mortgage Assn	32,299,824
150,000,000	Federal Home Loan Mortgage Corp	29,910,000
29,251,285	FNMA Pool	27,912,161
29,193,982	Federal Home Loan Pool B13150	27,865,175
27,667,779	Federal Home Loan Pool E01425	27,097,582
27,498,408	Federal Home Loan Pool E01418	26,246,777
21,835,873	PPL Montana LLC	25,629,766
26,822,963	Federal Home Loan Pool E01376	25,571,924

PERS' 772,494,880 shares represent 49.74% of the total RFBP portfolio at market.

JRS' 12,485,043 shares represent .80% of the total RFBP portfolio at market.

HPORS' 22,065,231 shares represent 1.42% of the total RFBP portfolio market.

SRS' 38,996,919 shares represent 2.51% of the total RFBP portfolio at market.

GWPORS' 12,305,775 shares represent .79% of the total RFBP portfolio at market.

MPORS' 39,863,268 shares represent 2.57% of the total RFBP portfolio at market.

FURS' 37,954,178 shares represent 2.44% of the total RFBP portfolio market.

VFCA's 5,384,788 shares represent .35% of the total RFBP portfolio market.

INVESTMENT SECTION

Public Employees' Retirement Board

A Component Unit of the State of Montana

Largest Holdings (by portfolio fair value) as of June 30, 2004

Shares/Par	MTIP Portfolio	Fair Value
44,873,947	BGI MSCI Index Fund Europe	\$ 389,187,569
3,578,423	BGI Pacific Index Strategy Fund	46,167,852
215,706	State Street SPIFF	31,685,217
185,600	Novartis AG	8,187,799
476,259	Telefonica SA	7,040,203
173,500	Toyota Motor Corp	7,028,090
24,330	Nestle S A	6,488,518
15,533	Samsung Electronic	6,412,151
96,600	Swiss Reinsurance	6,274,681
1,054	East Japan Railway	5,910,183

PERS' 4,038,393 shares represent 50.93% of the total MTIP portfolio at market.

JRS' 59,366 shares represent .75% of the total MTIP portfolio at market.

HPORS' 34,001 shares represent 1.32% of the total MTIP portfolio at market.

SRS' 186,886 shares represent 2.36% of the total MTIP portfolio at market.

GWPORS' 59,163 shares represent .75% of the total MTIP portfolio at market.

MPORS' 189,964 shares represent 2.40% of the total MTIP portfolio at market.

FURS' 180,776 shares represent 2.28% of the total MTIP portfolio at market.

VFCA's 25,499 shares represent .32% of the total MTIP portfolio at market.

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INVESTMENT SECTION

Public Employees' Retirement Board

A Component Unit of the State of Montana

Investment Summary

as of June 30, 2004

(in thousands)

Type of Investment	PERS-DBRP		JRS		HPORS	
	Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value
<i>Fixed Income</i>						
Retirement Funds Bond Pool	\$ 805,840	26.71%	\$ 13,024	29.07%	\$ 23,018	29.39%
<i>Equities</i>						
Montana Domestic Equity Pool	1,469,963	48.72%	21,739	48.54%	38,192	48.77%
Montana International Pool	434,917	14.42%	6,393	14.27%	11,296	14.42%
<i>Alternative Equities</i>						
Montana Private Equity Pool	128,797	4.27%	1,906	4.25%	3,375	4.32%
Real Estate Investments	8,409	0.28%	N/A		N/A	
<i>Montana Mortgages & Loans</i>						
Mortgages	66,755	2.21%	N/A		N/A	
<i>Short Term Investments</i>						
Short Term Investment Pool	102,343	3.39%	1,733	3.87%	2,430	3.10%
Total	\$ 3,017,024	100.00%	\$ 44,795	100.00%	\$ 78,311	100.00%

INVESTMENT SECTION

SRS		GWPORS		MPORS		FURS		VFCA	
Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value	Fair Value	% of Total Fair Value
\$ 40,680	29.08%	\$ 12,837	28.49%	\$ 41,584	29.55%	\$ 39,592	29.51%	\$ 5,617	30.18%
68,112	48.68%	21,521	47.76%	69,175	49.15%	65,851	49.09%	9,221	49.54%
20,127	14.39%	6,372	14.14%	20,458	14.54%	19,469	14.52%	2,746	14.75%
5,936	4.24%	1,856	4.12%	6,105	4.34%	5,813	4.33%	848	4.56%
N/A		N/A		N/A		N/A		N/A	
N/A		N/A		N/A		N/A		N/A	
5,055	3.61%	2,472	5.49%	3,403	2.42%	3,414	2.55%	180	0.97%
\$ 139,910	100.00%	\$ 45,058	100.00%	\$ 140,725	100.00%	\$ 134,139	100.00%	\$ 18,612	100.00%

INVESTMENT SECTION

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